GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:25
ANSWERED ON:25.02.2000
EXPORT POTENTIAL
ASHOK NAMDEORAO MOHOL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have examined the export potential of the country;

(b) if so, the details thereof alongwith the names of the exportable items;

(c) the country`s exports during 1996-97,1997-98,1998-99 and 1999-2000 till December, 1999;

(d) whether the export performance has been affected during the last three years;

(e) if so, the reasons for lower performance; and

(f) the corrective action proposed to reduce the trade deficit and to boost the export performance of the country?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(A) TO (F) : A STATEMENT IS LAID ON THE TABLE OF THE HOUSE.

Statement referred to in answer to part (a), (b), (c), (d), (e) & (f) of Lok Sabha Starred Question No. 25 to be answered on 25.2.2000 raised by Shri Ashok N. Mohol on Export Potential.

(a) & (b) Examination of export potential is a continuous process and Government is continuously taking various export promotion measures to enhance our share in world trade. Based on a detailed analysis of available data, a set of next generation export products have been identified which include medical and pharmaceuticals products, iron and steel primary forms, textiles yarn, office machines, telecom equipments, agricultural machinery, chemical products, electronic items including toys.

(c) India`s exports during previous four years are as under :-

(Value in US $ million)

1996-97	33469.76
1997-98	35007.85
1998-99 @	33641.00
1999-2000 @ (April-Dec.)	27419.23

@ Provisional

(d) & (e) The poor export performance as witnessed during last three years was largely in line with the world trend. The South East Asian crisis as well as crisis in Russia and some of the Latin American countries affected our exports to these regions. Infrastructural constraints and other impediments like narrow basket of exportable goods and low unit value realization were other reasons. However, in the current financial year, exports have picked up and export growth in dollar terms during April-December, 1999-2000 is 12.93% over the corresponding period of the previous year as per provisional figures.

(g) The trade deficit is the excess of imports over the exports and a large portion of our imports are necessary to sustain economic growth. The Government is taking conscious and continuous efforts to boost exports through changes in EXIM Policy and procedures with focus on improving the export competitiveness and providing a freer trading environment.